

1 Repeal and Readopt 2 Cal. Code Regs. Section 18940 to read:

2 **§ 18940 Guide to Gift Regulations.**

3 ~~(a) Limits on Gifts—Government Code Section 89503~~

4 ~~(b) Gift Limit Amount—Section 18940.2~~

5 ~~(c) Definition of Gift—Government Code Section 82028(a)~~

6 ~~(1) Receipt, Promise and Acceptance of Gift—Section 18941~~

7 ~~(2) Payments for Food—Section 18941.1~~

8 ~~(d) Exclusions and Exceptions~~

9 ~~(1) Exception to “Gifts” and Exception to Gift Limits—Section 18942~~

10 ~~(2) Definition of “Informational Material”—Section 18942.1~~

11 ~~(e) Return, Donation or Reimbursement of a Gift—Section 18943~~

12 ~~(f) Recipient of the Gift~~

13 ~~(1) Valuation of Gifts to An Official and His or her Family—Section 18944~~

14 ~~(2) Passes and Tickets Given to an Agency—18944.1~~

15 ~~(3) Gifts to an Agency—18944.2~~

16 ~~(g) Source of Gifts—Section 18945~~

17 ~~(1) Cumulation of Gifts; “Single” Source—18945.1~~

18 ~~(2) Intermediary of a Gift—18945.3~~

19 ~~(3) A Gift from Multiple Donors—18945.4~~

20 ~~(h) Reporting and Valuation of Gifts: General Rule—Section 18946~~

21 ~~(1) Passes and Tickets—Section 18946.1~~

22 ~~(2) Testimonial Dinners and Events—Section 18946.2~~

23 ~~(3) Wedding Gifts—Section 18946.3~~

24 ~~(4) Tickets to Nonprofit and Political Fundraisers—Section 18946.4~~

1 ~~(5) Prizes and Awards From Bona Fide Competitions—Section 18946.5~~

2 ~~(i) Travel—Section 18950 through 18950.4~~

3 ~~Note: Authority cited: Section 83112, Government Code. Reference: Sections~~
4 ~~82028, 82030, 87100, 87103, 87207, 87302, and 89501 through 89506 Government~~
5 ~~Code.~~

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1 **§ 18940 Guide to the Gift Regulations.**

2 (a) Basic Rule. A gift is a payment made by any person of any thing of value,
3 whether tangible or intangible, real or personal property, a good or service that provides a
4 personal benefit to an official when the official does not provide full consideration for the
5 value of the benefit received. A gift includes the forgiveness of a debt or obligation and a
6 rebate or a discount in the price of anything of value unless the rebate or discount is
7 offered in the ordinary course of business without regard to official status. (See Sections
8 82028, 82044, and 82047.) A gift may be reportable by the official under Section 87200,
9 87202, 87203, and 87204 or Sections 87300 and 87302; subject to limits under Sections
10 89503 and 86203 and Regulation 18940.2; result in a disqualifying conflict of interest for
11 the official under Sections 87100 and 87103 and Regulation 18703.4; and/or require the
12 filing of an activity expense report by a lobbyist, lobbying firm, or lobbyist employer, or
13 person who directly or indirectly makes payments to influence legislative or
14 administrative action of \$5,000 or more in any calendar quarter as defined in Section
15 86111.

16 (b) Exceptions. Certain payments that otherwise meet the Act's definition of gift,
17 are excepted from the definition of gift as provided by statute and these regulations. (See
18 Section 82028(b) and Regulation 18942.) These payments are neither a gift nor income.
19 Certain payments that do not meet the Act's definition of gift may be considered income.

20 (c) Valuation. Generally, the value of a gift is determined by its fair market value.
21 (Regulation 18946, exceptions are provided in Regulations 18946.1 through 18946.6.) An
22 official must report gifts received from a source subject to disclosure if the cumulative
23 value is \$50 or more within a reporting period. (Section 87207(a)(1).) With certain

1 exceptions (See Wedding Gifts, Regulation 18946.3; Travel Payments, Section 89506) if
2 a gift is reportable under the Act, it is prohibited if the value is *more than* the amount
3 specified in the gift limits identified in Regulation 18940.2 (Section 89503(c) or Section
4 86203.) Whether or not a gift is reportable, if an official receives any gift(s) from one
5 source with a cumulative value that meets the amount specified in Regulation 18940.2
6 within 12 months before the making or participating in the making of a governmental
7 decision, the official has an economic interest in that source pursuant to Regulation
8 18703.4, and the official may have a conflict of interest with respect to that source under
9 the Act's conflict of interest provisions (Sections 87100, 87103)(e).)

10 (d) Disclosure. For officials required to disclose under Section 87200 of the Act
11 ("statutory filers"), any gift, or combination of gifts, received from any source is
12 reportable by the official if the value of the gift, or the cumulative value of multiple gifts,
13 received from the source in the reporting period is \$50 or more. For officials required to
14 disclose under an agency conflict of interest code ("code filers") the gift, or combination
15 of gifts valued at \$50 or more is only reportable by the official if received from a source
16 identified in the disclosure category under which the official files pursuant to the
17 official's agency conflict of interest code. For those making gifts required to be disclosed
18 under Section 86113 (Lobbyists), 86114 (Lobbying Firms), and 86116 (Lobbyist
19 Employers), and \$5,000 filers, any gift, or combination of gifts, of any amount must be
20 disclosed by the donor to the extent required under Section 86111.

21 Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
22 82030, 87100, 87103, 87207, 87302, and 89501 through 89506 Government Code.

1 Adopt 2 Cal. Code Regs. Section 18940.1:

2 **§ 18940.1. General Definitions.**

3 In addition to the definition provided in the Act, for purposes of the gift
4 regulations (Regulations 18940 through 18946.6), the following definitions apply:

5 (a)(1) Reportable Gift. A “gift” is reportable only if it is received from a source
6 that the official is required to identify pursuant to the official’s filing obligations under
7 the Act.

8 (b) Official. For purposes of these regulations, “official” means any individual who
9 holds a position designated in Section 87200 or 87201, or a position that is involved in the
10 making or participation in the making of governmental decisions that may foreseeably have a
11 material effect on any of the official’s financial interests as provided in Section 87302, or
12 who is otherwise required to file a statement of economic interests. “Official” includes a
13 public official, agency official, candidate, judge, court commissioner, and state or local
14 public employee who is designated, or is required to be designated under Section 87302, in
15 the official’s agency’s conflict of interest code. (See Sections 82007 and 82048.)

16 (c) Official’s Filing Obligations. “Filing obligations” means the financial interest
17 disclosure requirements imposed on an official by Sections 87200 and 87201 or the
18 official’s conflict of interest code adopted pursuant to Article 3 of Chapter 7 of the Act
19 beginning with Section 87300.

20 (d) Official Status/Official Position. “Official status” or “official position” means
21 the official’s status or position as a public official, candidate, judge, court commissioner,
22 or any position for which filing obligations are imposed.

1 (e) Rebate or Discount. A “rebate or discount” as set forth in Section 82028 is not
2 “made in the regular course of business to members of the public without regard to
3 official status” if the rebate or discount is made solely to the official or to a select group
4 of specific officials, such as one agency or one department or unit within an agency. A
5 group consisting of all state, all local officials without regard to jurisdiction, or all
6 officials in a specified local jurisdiction or jurisdictions with more than 1,000 officials is
7 not considered “a select group of specific officials” so long as the benefit is available to
8 all officials in that jurisdiction or jurisdictions.

9 (f) Food. “Food” includes food and beverages.

10 (g) Specific definitions applicable to certain exceptions provided in Regulation
11 18942 are listed in Regulation 18942.1, 18942.2, and 18942.3.

12 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
13 82048, 87200, 87300, and 87302 Government Code.

14 Amend 2 Cal. Code Regs. Section 18940.2 to read:

1 **§ 18940.2. Gift Limit Amount.**

2 (a) For purposes of Section 89503, the adjusted annual gift ~~limitation~~ limit
3 amount in effect for the period January 1, 2011, to December 31, 2012, is \$420.00.

4 ~~(b) The gift limitation of \$250 in Section 89503 shall be adjusted biennially by~~
5 ~~the Commission to reflect changes in the Consumer Price Index and rounded to the~~
6 ~~nearest \$10. The resulting figure shall be the adjusted gift limitation in effect until~~
7 ~~January 1 of the next odd-numbered year.~~

8 ~~(c) The adjustment shall be based upon the September forecast of U.S. Bureau of~~
9 ~~Labor Statistics California Consumer Price Index for All Urban Consumers for the~~
10 ~~calendar year immediately preceding the year in which the adjustment is to take effect.~~

11 ~~(d) The adjusted gift limitation amount shall be calculated by the Commission as~~
12 ~~follows:~~

13 ~~(1) The base dollar amount of \$250 shall be increased or decreased by the~~
14 ~~cumulative percentage change in the annual average California Consumer Price Index~~
15 ~~from 1990 to the end of the calendar year immediately preceding the year in which the~~
16 ~~adjustment will take effect.~~

17 ~~(2) The dollar amount obtained by application of the calculation set forth in~~
18 ~~subdivision (b) shall be rounded to the nearest \$10.¹~~

¹ For example, the California Consumer Price Index for All Urban Consumers for 1990 is 135.0. In 1992, the California CPI increased to 145.6. Therefore, the adjusted gift limitation limit amount beginning in 1993 would be calculated as follows:

$$\frac{\$250 \times 145.6}{135.0} = \$269.63 \text{ } \$415.00 \text{ (}\$270 \text{ rounded to } \$420 \text{ the nearest } \$10.)$$

1 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections
2 87103(e), 89503, and 89506, Government Code.

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1 Amend 2 Cal. Code Regulations Section 18941 to read:

2 **§ 18941. Receipt, Promise, and Acceptance and Return of Gifts a Gift.**

3 (a) Receipt or Acceptance of a Gift. Except as otherwise provided in ~~this section~~
4 ~~or in California Code of Regulation, Title 2, Section 18943~~ subdivision (c), a gift is both
5 “received” or and “accepted” when the ~~recipient knows that he or she has either~~ official,
6 or the official’s family member pursuant to Regulation 18943, knowingly takes actual
7 possession of the gift or is provided the benefit of the gift, or takes any action exercising
8 direction or control over the gift.

9 ~~(1) In the case of a~~ A gift of a rebate or discount ~~which based on Government Code~~
10 ~~Section 82028, would otherwise be a gift,~~ the gift is both “received” or and “accepted”
11 under subdivision (a) when the ~~recipient~~ official knows that the rebate or discount given to
12 the official is not made in the regular course of business to members of the public without
13 regard to official status. An official who receives a rebate or discount has the burden of
14 showing that the rebate or discount was made in the regular course of business to members
15 of the public without regard to official status.

16 ~~(2) Except for passes or tickets as set forth in California Code of Regulations,~~
17 ~~Title 2, Section 18946.1(a), discarding a gift does not negate receipt or acceptance of a~~
18 ~~gift.~~

19 ~~(3) Turning a gift over to another person does not negate receipt or acceptance of~~
20 ~~a gift.~~

21 (b) ~~Disqualification:~~ Promise of a Gift. For purposes of ~~Government Code~~
22 Sections 87100 and 87103(e), a gift is “promised” ~~on the date an offer to give the gift is~~
23 ~~made if the recipient knows that a gift has been offered and ultimately~~ on the date it is

1 offered to the official provided he or she thereafter obtains actual possession of the gift or
2 takes any action exercising direction or control over the gift or, with respect to family
3 members under Regulation 18943, on the date the official becomes aware of a promise
4 of a gift to a family member provided that the family member obtains actual possession
5 of the gift or takes any action exercising direction or control over the gift.

6 (c) General Rule for Return, Donation, or Reimbursement of a Gift. A gift is
7 neither accepted nor received if, within 30 days:

8 (1) The gift is returned to the donor, the donor's agent, or the donor's
9 intermediary from whom the item was received, unused and without receiving anything
10 of value in exchange for the returned payment or;

11 (2) The gift is donated, unused, to a 501(c)(3) charitable organization with which
12 the official, or a member of the official's immediate family, holds no position, or to a
13 state, local, or federal government agency, without being claimed as a deduction for tax
14 purposes or;

15 (3) The official reimburses the donor, donor's agent, or the donor's intermediary
16 from whom the payment was received, in full, or for a portion thereof. If the donor is not
17 reimbursed for the full value of the payment, the value of the gift the official has received
18 is reduced by the amount of the reimbursement.

19 (d) Relief from Disqualification. In order to relieve the official of an otherwise
20 disqualifying financial interest under Section 87100 the return, donation, or
21 reimbursement of the gift pursuant to subdivision (c) above:

1 (1) Must occur within 30 days of receipt and before the date the official makes,
2 participates in making, or uses his or her official position to influence the governmental
3 decision in question; or

4 (2) If the return, donation, or reimbursement has not been made before the
5 decision, and the gift would otherwise cause the official to be disqualified from
6 participating in a governmental decision, the official must publicly disclose the receipt of
7 the gift on the public record, disclose its value, and declare that the return, donation, or
8 reimbursement will occur within two working days following the decision. The
9 subsequent return, donation, or reimbursement of the gift must be made within two
10 working days, and within 30 days after receipt or acceptance, and it must be documented
11 in the public record.

12 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections
13 82028(b)(2), 87100, 87103, 87207, 87302 and 89503, Government Code.

1 Adopt 2 Cal. Code Regulations Section 18942.2 to read:

2 **§ 18942.2. Definition of Home Hospitality.**

3 Home Hospitality. “Home hospitality” means any benefit received by the official,
4 and the official’s spouse and family members when accompanying the official, consisting
5 of food, typical home entertainment, or occasional overnight lodging provided by an
6 individual with whom the official has a relationship, connection, or association unrelated
7 to the official’s position and the hospitality is provided as part of that relationship,
8 connection, or association in the individual’s home when the individual is present. Home
9 hospitality includes any food provided by other guests at the event and benefits received
10 by the official when the official serves as the host. “Home” includes a vacation home
11 owned, rented, or leased, by the individual for use as his or her residence, including a
12 timeshare with deeded ownership or a continual right-to-use ownership benefit, and a
13 motor home or boat owned, rented, or leased by the individual for use as his or her
14 residence. Home also includes any facility in which the individual has a right-to-use
15 benefit by his or her home residency, such as a community clubhouse. Any benefit
16 received, other than the use of the premises, by any guests of the official other than the
17 official’s spouse and family members who are present at the request of the official or the
18 official’s agent are gifts to the official.

19 Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
20 87207 and 89503, Government Code.

1 Repeal 2 Cal. Code Regulations Section 18943 to read:

2 **~~§ 18943. Return, Donation, or Reimbursement of a Gift.~~**

3 ~~(a) General Rule for Return, Donation, or Reimbursement of a Gift. A gift is~~
4 ~~neither accepted nor received if it is returned, donated, or reimbursed in any manner set~~
5 ~~forth below.~~

6 ~~(1) The gift is returned to the donor, or to the donor's agent or intermediary,~~
7 ~~unused, within 30 days of receipt or acceptance. In such event, neither the recipient nor~~
8 ~~the donor shall be required to disclose the receipt or making of a gift or activity expense;~~
9 ~~or~~

10 ~~(2) The gift is donated, unused, to a charitable organization within 30 days of~~
11 ~~receipt or acceptance, without being claimed as a charitable contribution for tax purposes.~~
12 ~~In such event, neither the recipient, nor the donor shall be required to disclose the receipt~~
13 ~~or making of a gift or activity expense; or~~

14 ~~(3) The gift is donated, unused, to a state, local, or federal government agency,~~
15 ~~within 30 days of receipt or acceptance, without being claimed as a deduction for tax~~
16 ~~purposes. In such event, neither the recipient, nor the donor shall be required to disclose~~
17 ~~the receipt or making of a gift or activity expense; or~~

18 ~~(4) The recipient within 30 days of receipt or acceptance, reimburses the donor, or~~
19 ~~the donor's agent or intermediary, for all or a portion of the gift. In such event the value~~
20 ~~of the gift is reduced by the amount of the reimbursement, and the amount of any gift or~~
21 ~~activity expense which must be disclosed is reduced by the amount of the reimbursement.~~

22 ~~(b) Relief from Disqualification by Return, Donation, or Reimbursement. In~~
23 ~~order to relieve the recipient of an otherwise disqualifying financial interest based upon~~

1 ~~the receipt or acceptance of a gift valued at \$420 or more pursuant to Section 87100, the~~
2 ~~return, donation, or reimbursement of the gift pursuant to subdivision (a), above:~~

3 ~~(1) Must occur within 30 days of receipt or acceptance and prior to the date the~~
4 ~~recipient makes, participates in making, or uses his or her official position to influence~~
5 ~~the governmental decision in question; or,~~

6 ~~(2) If the return, donation, or reimbursement has not been made prior to the~~
7 ~~decision, the recipient must publicly disclose the receipt or acceptance of the gift on the~~
8 ~~public record, disclose its value, and declare that the return, donation, or reimbursement~~
9 ~~will occur within two working days following the decision. The subsequent return,~~
10 ~~donation, or reimbursement must be made within two working days, and within 30 days~~
11 ~~from receipt or acceptance, and must be documented in the public record.~~

12 ~~NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 87100,~~
13 ~~87103, 87207, 87302 and 89503, Government Code.~~

1 Renumber and Amend 2 Cal. Code of Regulations Section 18944 to read:

2 **§ 18944 18943. Gifts Gift to Official Members of an Official's or Candidate's**

3 **Through Family Member.**

4 (a) Scope of Regulation. This regulation ~~applies when determining whether a gift~~
5 determines when a payment to a public official's or candidate's family member also
6 constitutes a gift to the public official or candidate for purposes of the Act will be treated
7 as if it were a gift to the official even though the payment is made to the official's family
8 member.

9 (b) ~~Definitions.~~ For purposes of this regulation, the ~~following definitions apply.~~
10 term

11 ~~(1) "Official" means a public official as defined in Section 82048 or a candidate~~
12 ~~as defined in Section 82007.~~

13 ~~(2) "Official's family" or "family member" includes~~ means any of the following
14 individuals:

15 ~~(A)~~ (1) An The official's spouse as defined in Regulation 18229.

16 ~~(B)~~ (2) A "dependent child" of the official as defined in Regulation 18229.1.

17 ~~(C)~~ (3) An The official's child (including an adoptive child or stepchild) who
18 meets all of the following criteria:

19 ~~(i)~~ (A) Is at least 18 but no more than 23 years old and is a full-time or part-time
20 student.

21 ~~(ii)~~ (B) Has the same principal place of residence as the official. For purposes of
22 this provision, a place, located away from the official's residence, at which the child

1 resides for the purpose of attending school is not the child's "principal place of
2 residence."

3 (iii) (C) Does not provide over one-half of his or her own support.

4 (c) ~~A single gift given to both an official and one or more members of the~~
5 ~~official's family is a gift to the official for the full value of the gift.~~

6 (d) ~~The following applies to a gift~~ Absent an exception under Regulation 18942,
7 a payment given solely to provided to or for the use of a family member of an official's
8 family. is a gift to the official under either of the following conditions::

9 (1) ~~A gift given solely to a member of an official's family is a gift to the official~~
10 There is no established working, social, or similar relationship between the donor and the
11 family member that would suggest an association between the donor and the family
12 member suitable or appropriate for making the type of payment provided to the family
13 member.

14 (2) There is evidence to suggest the donor had a purpose to influence the official.
15 ~~when the gift confers a clear personal benefit on the official. A gift to an official's family~~
16 ~~member confers a clear personal benefit on the official~~ Evidence to suggest the donor had
17 a purpose to influence the official exists in any of the following circumstances:

18 (A) ~~It is reasonably foreseeable at the time the gift is made that the official will~~
19 ~~enjoy a financial benefit from the gift. A "financial benefit" from a gift includes, but is~~
20 ~~not limited to, a payment, other than occasional meals, lodging, or local transportation, to~~
21 ~~fulfill a commitment, obligation, or expense of the type normally paid by a family for the~~
22 ~~ordinary care and support of one of its members.~~

1 ~~(B) It is reasonably foreseeable at the time the gift is made that the official will~~
2 ~~use the gift, except for a minimal use.~~

3 ~~(C) The official exercises discretion and control over who will use or dispose of~~
4 ~~the gift. Exercising “discretion and control” includes, but is not limited to, when an~~
5 ~~official, or his or her agent, requests a gift for, or to be used by, the official’s family~~
6 ~~member.~~

7 ~~(2) A gift given solely to a member of an official’s family and not covered under~~
8 ~~subdivision (1) is a gift to the official if the gift confers a presumed personal benefit on~~
9 ~~the official. A gift to an official’s family member confers a presumed personal benefit on~~
10 ~~the official in any of the following circumstances:~~

11 (A) The gift payment is made to a family member of a state agency official ~~who~~
12 ~~is subject to Section 87200~~ by a donor who is a lobbyist, lobbying firm, lobbyist
13 employer, or other person required to file reports under Chapter 6 (commencing with
14 Section 86100) of the Act and who is registered to lobby the official’s agency.

15 (B) The gift payment is made to a family member of a state or local government
16 agency official ~~who is subject to Section 87200~~ by a donor, or the donor’s agent, who is
17 ~~or has been directly involved in a governmental decision, if the donor is involved in an~~
18 action or decision before the official’s agency as defined in Regulation 18704.1(a), in
19 which the official will reasonably foreseeably participate, ~~or in an action or decision in~~
20 which he or she has participated in within the prior 12 month period last 12 months.

21 (C) The payment is made to a family member by a person who has a contract with
22 the official’s agency or by a person who engages in a business that regularly seeks
23 contracts with or comes before the agency for the purpose of receiving a license, permit,

1 or other entitlement and the official may reasonably foreseeably make or participate in a
2 governmental decision, as defined in the Act's conflict of interest regulations (Regulation
3 18702 et seq.), related to the person, or has participated in any decision related to the
4 person within 12 months of the time the gift is made. For purposes of this subparagraph,
5 a person who "has a contract with the official's agency" or who "engages in a business
6 that regularly seeks contracts with or comes before the agency" does not include any
7 individual who has less than a ten percent interest in the business contracting with or
8 appearing before the agency.

9 (3) ~~Exceptions~~

10 (A) ~~There is no gift to an official under paragraph (1) if both of the following~~
11 ~~circumstances apply:~~

12 (i) ~~The official can show there is a established working, social, or similar~~
13 ~~relationship between the donor and the official's family member independent of the~~
14 ~~relationship between the donor and the official.~~

15 (ii) ~~The person who made the gift is not a donor identified in paragraphs (2)(A)~~
16 ~~or (2)(B).~~

17 (B) ~~The official can rebut the presumption in paragraph (2) if he or she can show~~
18 ~~there is an established working, social, or similar relationship between the donor and the~~
19 ~~official's family member independent of the relationship between the donor and the~~
20 ~~official.~~

21 (e) ~~This regulation does not apply to the type of gift that, under the Act or other~~
22 ~~Commission regulations, would not be considered a gift if given directly to the official.~~

1 Note: Authority cited: Section 83112, Government Code. Reference: Section 82028,
2 Government Code.

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1 Amend 2 Cal. Code Regs. Section 18944.1 to read:

2 **§ 18944.1. Gifts: Agency Provided Tickets or Passes to Events.**

3 For purposes of this regulation ~~“ticket or pass”~~ the terms “ticket” and “pass,” as
4 defined in Regulation 18946, means apply solely to an admission to a facility, event,
5 show, or performance for an entertainment, amusement, recreational, or similar purpose
6 provided by an agency to, or at the behest of, an official of that agency, other than an
7 admission provided to a school, college or university district official, coach, athletic
8 director, or employee to attend an amateur event performed by students of that school,
9 college, or university district or an admission identified in Regulation 18942 (a)(12).

10 (a) ~~Ticket or pass provided to official by official’s agency.~~

11 (1) ~~When an agency provides a ticket or pass to an official of that agency, the A~~
12 ticket or pass is not subject to the provisions of this regulation, ~~provided that if~~
13 the official treats the ticket or pass as income consistent with applicable state and federal
14 income tax laws and the agency reports the distribution of the ticket or pass as income to
15 the official in ~~complying~~ compliance with the reporting provisions of subdivision (e) (d)
16 below.

17 (2) Any ticket or pass acquired by the agency under subdivision (b)(2) and
18 distributed to an official, other than an elected official or member of the legislative or
19 governing body of the agency, for the official’s personal use, to support general
20 employee morale, retention, or to reward public service is deemed to serve a public
21 purpose, and any tickets distributed to an official for such purpose shall be reported as
22 described under subdivision (d)(3). For purposes of this paragraph, “personal use” means
23 use by the official, his or her family, or no more than one guest.

1 ~~(2) (b) When an agency provides a ticket or pass to a public official that~~
2 ~~otherwise meets the definition of gift under Section 82028 and is not exempt under~~
3 ~~applicable Commission regulations, the~~ The official will meet the burden under Section
4 82028 that equal or greater value has been provided in exchange ~~therefor, provided that~~
5 for the ticket or pass if the official reimburses the agency for the ticket or if all of the
6 following requirements are met:

7 ~~(A) (1) With respect to a~~ For a ticket or pass the agency receives from an outside
8 source, other than as provided in subdivision (b)(2) provided to an official by the
9 official's agency:

10 ~~(i) (A)~~ The ticket or pass is not earmarked by the original outside source for use
11 by the agency official who uses the ticket or pass;

12 ~~(ii) (B)~~ The agency determines, in its sole discretion, which official may use who
13 uses the ticket or pass.

14 ~~(iii) (C)~~ The distribution of the ticket or pass by the agency is made in accordance
15 with a policy adopted by the agency in accordance with that incorporates all of the
16 provisions of subdivision (b) (c) below.

17 ~~(B) (2) With respect to a ticket or pass provided by the official's agency to an~~
18 ~~agency official, which ticket or pass~~ For a ticket or pass the agency obtains (i) pursuant to
19 the terms of a contract for use of public property, (ii) because the agency controls the
20 event (such as a state or county fair), or (iii) that is purchased by the agency by purchase
21 at fair market value, the distribution of the ticket or pass is made in accordance with a
22 policy adopted by the agency that incorporates all of the provisions of subdivision (c)
23 below.

1 ~~(b)~~ (c) Agency Ticket/Pass Distribution Policy. Any distribution of ~~tickets or~~
2 ~~passes a ticket or pass~~ under subdivision ~~(a)(2) by an agency~~ this regulation to, or at the
3 behest of, ~~its officials~~ an agency official must be made pursuant to a written agency ticket
4 distribution policy, duly adopted by the legislative or governing body of the agency or, if
5 none, the agency head that ~~state the public purposes to be accomplished by the agency~~
6 ~~policy. If the agency maintains a website, the written policy shall be posted on the~~
7 ~~website in a prominent fashion. The written policy shall contain,~~ contains, at a minimum,
8 all of the following:

9 (1) ~~a~~ A provision setting forth the public purposes of the agency ~~to be~~
10 ~~accomplished by the distribution of~~ for which tickets or passes may be distributed.

11 (2) ~~a~~ A provision requiring that the distribution of any ticket or pass ~~by the agency~~
12 to, or at the behest of, an agency official accomplish a stated public purpose of the
13 agency; ~~and~~

14 (3) ~~a~~ A provision prohibiting the transfer ~~by any official~~ of any ticket ~~or pass,~~
15 ~~distributed to such official~~ received by an agency official pursuant to the agency
16 distribution policy; ~~to any other person,~~ except to members of the official's immediate
17 family or no more than one guest solely for their ~~personal use~~ attendance at the event.

18 ~~(e)~~ (d) The distribution Public Posting. A record of a ticket or pass distributed
19 pursuant to this regulation, ~~or Regulation 18942(a)(13) including a ticket or pass that is~~
20 ~~provided to the official under subdivision (a)(1) above, shall~~ must be posted, completed,
21 on a form provided by the Commission; ~~in a prominent fashion on the agency's website,~~
22 ~~within 30 days after the distribution. If the agency does not maintain a website, the.~~ The

1 form ~~shall~~ must be maintained as a public record, be subject to inspection and copying
2 under Section 81008(a), and be forwarded to the Commission for posting on its website.

3 (1) Except as provided in paragraphs (2) and (3) below, The posting the
4 information ~~shall~~ must include the following:

5 (A) The name of the person receiving the ticket or pass, ~~except that if the ticket or~~
6 ~~pass is distributed to an organization outside the agency, the agency may post the name,~~
7 ~~address, description of the organization, and the number of tickets or passes provided to~~
8 ~~the organization in lieu of posting the names of each individual from the organization;~~

9 ~~(2)~~ (B) a A description of the event;

10 ~~(3)~~ (C) ~~the~~ The date of the event;

11 ~~(4)~~ (D) ~~the~~ The face value of the ticket or pass;

12 ~~(5)~~ (E) ~~the~~ The number of tickets or passes provided to each person;

13 ~~(6)~~ (F) ~~if~~ If the ticket or pass is behested, the name of the official who behested
14 the ticket ~~or~~ pass; and

15 ~~(7)~~ (G) a A description of the public purpose under which the distribution was
16 made or, alternatively, that the ticket or pass was distributed as income to the official.

17 (2) If the ticket or pass is distributed to an organization outside the agency, the
18 agency shall post the name, address, description of the organization, and the number of
19 tickets or passes provided to the organization in lieu of posting the names of each
20 individual from the organization as otherwise required in paragraph (1) above;

21 (3) If the ticket or pass is distributed pursuant to subdivision (b) the agency may
22 post the name of the department or other unit of the agency and the number of tickets or

1 passes provided to the department or other unit in lieu of posting the name of the
2 individual employee as otherwise required in paragraph (1) above;

3 ~~(d)~~ (e) The Commission recognizes the discretion of the legislative or governing
4 body of an agency or, if none, the agency head to determine whether the distribution of a
5 ticket or pass serves a legitimate public purpose of the agency, provided the
6 determination is consistent with state law.

7 ~~(e)~~ (f) The provisions of ~~subdivision (b)~~ this regulation apply only to the benefits
8 the official receives ~~by the admission and are not applicable to any other benefits the~~
9 ~~official may receive that are not included~~ provided to all members of the public with the
10 same class of ticket admission, such as food or beverages, or any other item presented to
11 ~~the official at the event.~~

12 NOTE: Authority cited: Section 83112, Government Code. Reference: Section 82028,
13 Government Code.

1 Amend2 Cal. Code Regulations Section 18944.3:

2 **§ 18944.3. Gifts from a Government Agency to Officials in that Agency.**

3 Except as provided in Regulations ~~18944.1 and 18944.2~~ 18944 and 18944.1, a
4 payment by a government agency from that agency's assets that provides food, beverage,
5 entertainment, goods, or services of more than a nominal value to an official in that
6 agency is a gift to that official unless the payment is a lawful expenditure of public
7 moneys.

8 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
9 Government Code.

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1 Renumber and Amend 2 Cal. Code Regs. Section 18944.4 to 18944.2 and to read:

2 **§ ~~18944.4~~ 18944.2. Agency Raffles and Gift Exchanges of Presents.**

3 (a) Applicability. This regulation identifies when a payment made by a state or
4 local government agency ~~in the form~~ of an item awarded to an agency ~~employee~~ official
5 in a raffle open to all employees of the agency, or the unit of the agency holding the
6 raffle, or ~~in an agency gift exchange~~ received in an exchange of presents among agency
7 employees, will be treated as a gift to the ~~employee~~ official.

8 (b) Agency Raffles.

9 (1) When an agency holds an employee raffle and the item awarded in the raffle
10 has been received by the agency from a source other than an agency employee and the
11 agency did not purchase the item from its funds, the ~~payment item~~ is a gift to the
12 ~~employee~~ from the source who provided the item to the agency to the official who wins
13 the item, and the agency is the intermediary of the gift. The value of the gift is the fair
14 market value less any consideration ~~paid by the employee~~ that the official paid to
15 participate in the raffle. If the value of the gift is \$50 or more ~~and the employee is~~
16 ~~required to report the gift on his or her statement of economic interests~~, the agency and
17 the ~~employee~~ official shall comply with Section 87210 or Section 87313 as if applicable.

18 (2) When an agency holds an employee raffle and the item awarded in the raffle
19 has been obtained with agency funds or is otherwise an asset of the agency and not
20 donated to the agency by a non-agency source, the provisions of Regulation 18944.3
21 apply.

1 (3) When an agency holds an employee raffle and the item awarded in the raffle
2 has been received by the agency from an agency employee who is not acting as an
3 intermediary for another donor, the item is not a gift to the employee who wins the raffle.

4 (c) ~~Agency Gift Exchanges.~~ Exchanges of Presents Among Agency Employees.
5 When an employee of an agency ~~participates in an employee gift exchange,~~ receives a
6 present in an exchange of presents, where all participants in the exchange are agency
7 employees, any ~~item~~ present received by the ~~employee~~ official in the ~~gift~~ exchange is not
8 a gift so long as the ~~item~~ present received is provided by another employee of the agency
9 and ~~the gifts are~~ is not substantially disproportionate in value from the item provided by
10 the official.

11 (d) This regulation does not apply to ~~passes or tickets~~ a ticket or pass of the type
12 described in Regulation 18944.1, which shall be governed by that regulation, if the ticket
13 or pass is provided from a source other than an agency employee.

14 NOTE: Authority cited: Section 83112, Government Code. Reference: Section 82028,
15 Government Code.

1 Amend 2 Cal. Code Regs. Section 18945 to read:

2 **§ 18945. Source of Gifts.**

3 ~~(a) General Rule. A person is the source of a gift if the person makes a gift to an~~
4 ~~official and is not acting as an intermediary.~~

5 ~~(b) Gifts through an Intermediary.~~

6 ~~(1) A person is the source of a gift, and a third party is an intermediary of the gift~~
7 ~~under Sections 87210 or 87313, if the person makes a payment to the third party and the~~
8 ~~payment is used directly or indirectly by the third party to make a gift to an official under any~~
9 ~~of the following conditions:~~

10 ~~(A) The person directs and controls the payment at the time it is used by the third~~
11 ~~party to make a gift to the official.~~

12 ~~(B) The person and third party have agreed that the payment will be used by the third~~
13 ~~party to make a gift to the official.~~

14 ~~(C) The person identifies the official to the third party as the intended beneficiary of~~
15 ~~the payment prior to the third party making the payment to the official.~~

16 ~~(D) The third party identifies the official to the person as the intended beneficiary of~~
17 ~~the payment prior to the person making the payment to the third party.~~

18 ~~(E) The person knows or has reason to know that the sole or primary purpose of the~~
19 ~~payment is to make gifts to officials.~~

20 ~~(F) The official or the official's agent solicits the payment from the person to the third~~
21 ~~party for the purpose of making a gift to the official.~~

1 (2) For purposes of subdivisions (b)(1)(C) and (b)(1)(D), a person or third party
2 “identifies the official” if the person or third party identifies the official by name or any other
3 designation of the official from which it is clear the person or third party is referring to the
4 official, or if the person or third party identifies a group of officials from one or more specific
5 state or local government agencies and the official is part of that group.

6 (a) The person who makes the gift to the official(s) is the source of the gift unless
7 that person is acting as an intermediary. The person is acting as an intermediary for the
8 source of the gift when the gift to the official was provided under any of the following
9 conditions:

10 (1) the person receives a payment from a source and the payment is made to the
11 official after the source identifies the official as the intended recipient of the gift;

12 (2) the person receives a payment from a source after soliciting the payment with
13 the understanding that the payment will be used for the sole or primary purpose of
14 making a gift to an official; or

15 (3) the person receives a payment from a source after the payment was solicited
16 by the official or the official’s agent for the purpose of making a gift to the official.

17 (b) Under any of the conditions identified in subdivision (a)(1)-(3), the source of
18 the payment is the source of the gift.

19 (c) ~~A person who pays dues or similar payments for membership in a bona fide~~
20 ~~association, including any federation, confederation, or trade, labor or membership~~
21 ~~organization is not the source of gifts made by the association to an official unless the sole or~~
22 ~~primary purpose of the dues or similar payments is to make gifts to officials.~~

1 (c) If a public official's pro-rata share of the cost of the benefit provided at an
2 event constitutes a gift to the official, the person hosting the event, unless the admission
3 to the event was provided by someone other than the host, shall be deemed the source of
4 the gift so long as the event is widely attended by persons other than governmental
5 officials.

6 (d) Presumption of Source by ~~Officials~~ Official. Notwithstanding subdivision (a), An
7 an official may presume that the person delivering the gift or, if the gift is offered but has not
8 been delivered, the person offering the gift to him or her is the source of the gift unless either
9 of the following apply:

10 ~~(1) The person delivering or offering the gift discloses to the official the actual source~~
11 ~~of the gift.~~

12 ~~(2) It~~ it is clear from the surrounding circumstances at the time the gift is delivered or
13 offered that the person delivering or offering the gift is not the actual source of the gift.

14 ~~(3) The official solicits a payment pursuant to subdivision (b)(1)(F) and receives or is~~
15 ~~offered a gift responsive to the solicitation within 12 months of making the solicitation.~~

16 (e) Presumption of Source by Intermediaries. ~~A third party otherwise qualifying~~
17 person that qualifies as an intermediary as a result of a payment solicited from an official
18 pursuant to subdivision ~~(b)(1)(F)~~ (a)(3) may presume that ~~he or she~~ he, she, or it is the source
19 of the gift, ~~and is not required to disclose the actual source of the gift as required by~~
20 ~~Regulation 18945.3, when both of the following apply:~~

21 ~~(1) The third party~~ unless the person does not know or have reason to know of the
22 official's solicitation.

1 ~~(2) The third party does not qualify as an intermediary under subdivisions (b)(1)(A)-~~
2 ~~(b)(1)(E).~~

3 Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
4 86111, 86201, 86203, 87100, 87103, 87207, 87210, 87302, 87313 and 89503,
5 Government Code

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1 Amend 2 Cal. Code Regs. Section 18945.1 to read:

2 **§ 18945.1. ~~Cumulation~~ Aggregation of Gifts; “Single” Source.**

3 For purposes of the ~~limitations gift limits in Government Code Sections 89501~~
4 ~~through 89506 Sections 86203 and 89503, and the Act’s reporting requirements, two or~~
5 ~~more~~ separate gifts from two or more sources are ~~cumulated~~ aggregated as being from a
6 “single” single source ~~if in~~ any of the following circumstances ~~apply~~:

7 (a) ~~The Gifts~~ separate gifts are from an individual and an entity in which the
8 individual has an ownership interest of more than 50 percent ~~shall be cumulated as being~~
9 ~~from a “single” source unless the individual did not direct and control the gift from the~~
10 entity. An individual who has an ownership interest of more than 50 percent is presumed
11 to direct and control the gift from the entity. This presumption may be rebutted if the
12 payment is made by another individual who, in fact, directed and controlled the payment.

13 (b) ~~Except as provided in subdivision (a),~~ The separate gifts are from an
14 individual and an entity ~~shall be cumulated as being gifts from a “single” source if and~~
15 the individual in fact ~~directs and controls~~ directed and controlled the decision of the entity
16 to make the ~~gifts~~ gift.

17 (c) ~~If~~ The gifts are from two or more entities and the same person or a majority
18 of the same persons ~~in fact directs and controls~~ directed and controlled the decisions of
19 ~~two or more~~ the entities to make ~~gifts~~ the gifts to ~~one or more public officials or~~
20 ~~candidates, gifts by those affiliated entities shall be cumulated as being gifts from a~~
21 “single” source the official.

22 (d) Business entities in a parent-subsidary relationship, or business entities with
23 the same controlling (more than 50 percent) owner, shall be considered a “single” single

1 source unless the business entities ~~act~~ acted independently in their decisions to make gifts
2 the gifts to one or more public officials or candidates. For purposes of this regulation, a
3 parent-subsidiary relationship exists when one business entity owns more than 50 percent
4 of another business entity.

5 NOTE: Authority cited: Section 83112, Government Code. Reference: Section 89501
6 through 89506 Government Code.

1 Repeal 2 Cal. Code Regs. Section 18945.3:

2 **~~§ 18945.3 Intermediary of a Gift.~~**

3 ~~(a) Intermediaries of Gifts to Persons Required to File Under Title 9, Chapter 7,~~
4 ~~Article 2 of the Government Code — No person shall make a gift totaling fifty dollars~~
5 ~~(\$50) or more in a calendar year to a person described in Article 2 on behalf of another,~~
6 ~~or while acting as an intermediary or agent of another, without disclosing to the recipient~~
7 ~~of the gift both his own full name, street address, and business activity, if any, and the~~
8 ~~full name, street address, and business activity, if any, of the actual donor. The recipient~~
9 ~~of the gift shall include in his Statement of Economic Interests the full name, street~~
10 ~~address, and business activity, if any, of the intermediary or agent and the actual donor.~~

11 ~~(b) Intermediaries of Gifts to Persons Required to File Under Title 9, Chapter 7,~~
12 ~~Article 3 of the Government Code — No person shall make a gift of fifty dollars (\$50) or~~
13 ~~more in a calendar month on behalf of another, or while acting as an intermediary or~~
14 ~~agent of another to a person whom he knows or has reason to know may be required to~~
15 ~~disclose the gift pursuant to a conflict of interest code, without disclosing to the recipient~~
16 ~~of the gift both his own full name, street address, and business activity, if any, and the~~
17 ~~full name, street address, and business activity, if any, of the actual donor. The recipient~~
18 ~~of the gift shall include in his Statement of Economic Interests the full name, street~~
19 ~~address, and business activity, if any, of the intermediary or agent and the actual donor.~~

20 ~~(c) Notwithstanding subdivision (a) or (b) above, it shall be unlawful for a~~
21 ~~lobbyist or lobbying firm to act as an intermediary in the making of any gift aggregating~~
22 ~~more than \$10 per calendar month to a state candidate, elected state officer, legislative~~

1 ~~official or agency official of any agency required to be listed on the registration statement~~
2 ~~of the lobbying firm or the lobbyist employer of the lobbyist.~~

3 ~~NOTE: Authority cited: Section 83112, Government Code.~~

4 ~~Reference: Sections 86203, 87210, and 87313, Government Code.~~

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1 Renumber and Amend 2 Cal. Code Regs. Section 18945.4 to read:

2 **§ ~~18945.4~~ 18945.2. A Gift from Multiple Donors Group Gifts.**

3 ~~A gift which is received from multiple donors must be reported if the gift's value~~
4 ~~equals or exceeds \$50. The name of any donor whose share of the gift is less than \$50 in~~
5 ~~value need not be separately reported; it is sufficient to describe in general terms those~~
6 ~~who gave the gift. If, however, the share of any donor or his or her [agent or]~~
7 ~~intermediary is \$50 or more in value, his or her name must be reported. If an official~~
8 ~~receives a gift valued at \$50 or more from a group of persons, the official need only~~
9 ~~report any source(s) of the gift who donates \$50 or more to the overall value of the gift.~~
10 ~~In addition, any donation to the group gift made by any person for whom the official is~~
11 ~~required to report a gift shall be aggregated with any other gift made by that person. A~~
12 ~~gift from a single organization is not a group gift from the members of that organization.~~

13 Note: Authority cited Section 83112, Government Code. Reference: ~~Section~~ Sections
14 82028, and 87207, Government Code.

1 Amend 2 Cal. Code Regulations Section 18946 to read:

2 **§ 18946. Reporting and Valuation of Gifts.**

3 (a) ~~Scope of Section~~ General Gifts. Except as specified in ~~2 Cal. Code Regs.~~
4 ~~sections 18946.1 through 18946.5, inclusive, subdivisions (b) and (c), gifts~~ a gift shall be
5 is valued at fair market value as of the date of receipt ~~or promise~~. Sections 18946.1
6 through 18946.5 provide for the valuation of specific types of gifts in the following
7 situations.

8 ~~Passes and Season Tickets~~ Ticketed Events — See Regulation 18946.1

9 ~~Testimonial Dinners and Events, Invitation-Only Events, and Ceremonial~~
10 ~~Functions~~ — See Regulation 18946.2

11 Wedding Gifts — See Regulation 18946.3

12 Tickets to Nonprofit and Political Fundraisers — See Regulation 18946.4

13 ~~Prizes and Awards From Bona Fide Competitions~~ — ~~Regulation 18946.5~~

14 Air Transportation — See Regulation 18946.5

15 (b) ~~General Rule for Valuation of Unique Gifts.~~ Whenever the fair market value
16 of a gift cannot readily be ~~ascertained~~ determined because the gift is unique or unusual,
17 ~~the value shall be the cost to the donor, if known or ascertainable. If the cost to the donor~~
18 ~~is unknown and unascertainable, the recipient~~ official shall must make a reasonable
19 approximation. In making such an approximation, the ~~recipient shall~~ official must take
20 into account the price of similar items. If similar items are not available as a guide, a
21 good faith estimate shall be utilized.

22 (c) Except as specified in ~~2 Cal. Code Regs. sections 18943, 18944, and 18946.1,~~
23 ~~a gift must be valued, for purposes of disclosure and disqualification,~~ Regulation

1 18946.1(a) and (b), the value of a gift is its full value even if unused, partially used,
2 discarded, or given transferred to another person.

3 (d) Definitions: For purposes of this ~~section~~ regulation and ~~2 Cal. Code Regs.~~
4 ~~sections~~ Regulations 18946.1, through 18946.5 and ~~section~~ Regulation 18640, the
5 following definitions apply:

6 (1) “Face Value.” ~~The term “face value”~~ “Face value” means the price as offered
7 for sale to the general public indicated on the ticket or pass, or if ~~no~~ that price is not
8 indicated, the price at which the ticket or ~~similar~~ pass would otherwise be offered for sale
9 to the general public by the operator of the venue or host of the event who offers the
10 ticket for public sale.

11 (2) ~~“Ticket/Pass.”~~ “Ticket.” A “ticket” or ~~“pass”~~ means anything that is anything
12 that provides an access, entry, or admission privilege to an a specific future event or
13 function and for which similar tickets or passes are offered for sale sold to the public to
14 view, listen to, or otherwise take advantage of the attraction or activity for which the
15 ticket is sold and includes any benefits that the ticket provides.

16 (3) “Pass.” A “pass” is a ticket that provides repeated access, entry, or admission
17 to a facility or series of events and for which similar passes are sold to the public.

18 ~~(3)~~ (4) “Invitation.” An ‘invitation’ means a request to attend an event or
19 function by the host, sponsor, or organizer of the event or function, ~~that is not a ticket or~~
20 ~~pass as defined above in subsection (d)(2) of this section and 2 Cal. Code Regs. section~~
21 ~~18944.1, and~~ where admission to the event is provided by ~~such~~ the invitation only and not
22 by a ticket or pass as defined above.

1 (5) “Invitation Only Event.” An “invitation only event” is a gathering of
2 individuals, who attend by invitation and where costs are incurred to hold the event
3 beyond the costs of providing food.

4 ~~(4) (6)~~ “Specific Item.” ~~The term “specific item”~~ “Specific item” means a
5 tangible item ~~received by an official or candidate~~ the official receives at an event that is
6 ~~not~~ included among the non-cash nominal items presented to all attendees at the event.

7 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
8 87207, ~~and~~ 87302, and 89503, Government Code.

Amend 2 Cal. Code Regulations Section 18946.1 to read:

§ 18946.1. ~~Reporting and~~ Exception — Valuation of Gifts: Passes and Tickets.

(a) ~~A pass or~~ Unless otherwise indicated herein, the value of a ticket that provides
~~one-time admission or access to facilities, goods, services, or other incidental tangible or~~
~~intangible benefits (including a pass to motion picture theaters, amusement parks, parking~~
~~facilities, country clubs, and similar places or events, and also including a ticket for~~
~~theater, opera, sporting, or similar event, but not including travel and lodging)~~ shall be
valued at is the face value of the ~~pass or~~ ticket, ~~provided that the face value is a price that~~
~~was, or otherwise would have been, offered to the general public.~~ A pass or ticket has no
reportable value unless it is ultimately used or transferred to another person.

(b) ~~A pass or ticket~~ The value of a pass that provides repeated admission or access
~~to facilities, goods, services, or other incidental tangible or intangible benefits (including~~
~~a pass to motion picture theaters, amusement parks, parking facilities, country clubs, and~~
~~similar places or events, and also including a season ticket for theater, opera, sporting, or~~
~~similar season events, but not including travel or lodging)~~ shall be valued is determined
as follows:

(1) For purposes of disclosure and the gift limits, the value ~~shall be the fair~~
~~market value of the actual use of the pass or ticket by the recipient, including guests who~~
~~may accompany the recipient and who are admitted with the pass or ticket, plus the fair~~
~~market value of any possible use by any person or persons to whom the privilege of use~~
~~of the pass or ticket is transferred~~ of a pass is equal to the face value of an individual one-
time admission multiplied by the actual use of the pass by the official and any other
individuals who are admitted with the pass up to the face value of the pass.

1 (2) For purposes of disqualification, the value ~~shall be the actual use of the pass~~
2 ~~or ticket by the official, including guests who may accompany the official and who are~~
3 ~~admitted with the pass or ticket, plus the fair market value of any possible use by any~~
4 ~~person or persons to whom the official transfers the privilege of use of the pass or ticket,~~
5 ~~through the date of the governmental decision in question, plus the fair market value of~~
6 ~~the maximum reasonable use following the date of the decision.~~ of a pass is the face
7 value. If the official returns the pass ~~or any unused tickets prior to~~ before the decision,
8 the value ~~shall be determined pursuant to subdivision (b)(1)~~ is the actual use of the pass
9 made prior to the decision, as provided in subdivision (b)(1).

10 (3) A pass has no reportable value unless it is ultimately used or transferred to
11 another person.

12 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
13 87207 and 87302, Government Code.

1 Amend 2 Cal. Code Regulations Section 18942 to read:

2 **§ 18946.3. ~~Reporting and~~ Exception — Valuation of Gifts: Wedding Gifts.**

3 Notwithstanding the provisions of ~~California Code of Regulations, Title 2,~~
4 ~~Section 18944~~ Regulation 18943, the value to the official of a wedding gift given to
5 an official and his or her spouse or spouse-to-be ~~are considered as gifts to both spouses~~
6 ~~equally, and the official is deemed to receive~~ is one-half of the gift's total value as
7 ~~determined pursuant to California Code of Regulations, Title 2, Section 18946, unless the~~
8 ~~gift is peculiarly adaptable to the personal use and enjoyment of one spouse or~~
9 ~~specifically and unequivocally intended exclusively for use and enjoyment by one~~
10 ~~spouse, in which event the full value of the gift is attributed to that spouse.~~

11 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 82028,
12 87207 and 87302, Government Code.

1 Repeal 2 Cal. Code Regs. Section 18946.5:

2 **~~§ 18946.5 Prizes and Awards From Bona Fide Competitions.~~**

3 ~~A prize or award received shall be reported as a gift unless the prize or award is~~
4 ~~received in a bona fide competition not related to the recipient's status as an official or~~
5 ~~candidate. A prize or award which is not reported as a gift shall be reported as income.~~

6 ~~Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028,~~
7 ~~82030, 87207, and 87302, Government Code.~~

8 [Note: Moved to Regulation 18942]

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